licensing policy (1990-95) is a continuous process, which is governed by licences issued by Reserve Bank of India in this regard. Hence, at this stage it is not possible to project the number of branches of banks that will be opened in Kerala.

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Permission to multinationals for entering into Insurance Sector

2401. SHRI SIVAJI PATNAIK : Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to allow the multinationals to enter into the Insurance Sector; and

(b) if so, the details thereof and the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH) : (a) No, Sir.

(b) Does not arise.

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Raising of Loans by UCO Bank from Foreign Banks

2402. SHRI VIJAY NAVAL PATIL : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has authorised the UCO Bank to raise loans from foreign banks;

(b) if so, the details thereof and the reasons therefor– ;

(c) whether the foreign banks have imposed some conditions in this regard; and

(d) if so, the reaction of the Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH) : (a) to (d) The information is being collected and will be laid on the Table of the House.

105

Payment of Compensatory Allowance and construction of Staff Quarters for Employees posted in Tribal Areas of Orissa

2403. SHRI K. PRADHANI : Will the Minister of FINANCE be pleased to state :

(a) whether any award was given by the Ninth Finance Commission for the upgradation of administration in tribal areas regarding compensatory allowance to the employees posted in those areas and construction of staff quarters for them;

(b) if not, how the Government propose to meet the expenditure;

(c) whether the Union Government have issued any directives to the Government of Orissa to release funds for the purpose; and

(d) if so, the details therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHANTARAM POTDUKHE): (a) to (d) The Ninth Finance Commission in its First Report for 1989-90 had recommended upgradation grants for following two schemes in tribal areas i.e. (i) housing units; and (ii) capital outlay for villages. In the case of deficit States like Orissa, the grants-in-aid recommended by the Commission took into account the liability on account of continuance of payment of compensatory allowance to the employees posted in tribal areas. In the case of surplus States, the surplus was worked out after allowing for such payment.

The Ninth Finance Commission in their Second Report for the period 1990-95 have adopted "normative approach" in assessing the revenue receipts and expenditures. The Commission have not recommended any specific grants-in-aid for upgradation of the services because "the needs for upgrading these services in States where they are below average has been taken care in the norms" adopted by the Commission. The Ministry of Welfare had requested the State Governments, including the Government of Orissa, that the scheme of payment of compensatory allowance to the employees in tribal areas be continued with the provision under the devolved funds. As regards the construction of staff quarters in tribal areas and infrastructural development in tribal villages, since they involve new investments, they would form part of the Plan programmes.